



Illinois Department of Corrections

Administrative Directive

Number: 02.27.101	Title: General Provisions	Effective: 1/1/2021
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Authorized by:	<i>[Original Authorized Copy on File]</i> Rob Jeffreys Acting Director
Supersedes:	02.27.101 effective 3/1/2006

Authority: 730 ILCS 5/3-2-2 Statewide Accounting Management System (SAMS)	Related ACA Standards: 5-ACI-1B-01, 03, 07-12
Referenced Policies:	Referenced Forms:

I. POLICY

The Department shall forward all cash and accompanying transmittals received at the facility to the Division of Finance and Administration, Accounts Receivable Unit in Springfield within five calendar days after receipt.

II. PROCEDURE

A. Purpose

The purpose of this directive is to provide general instructions to staff for processing receipts and refunds.

B. Applicability

This directive is applicable to all correctional facilities, offices, programs and parole services within the Department.

C. Facility Reviews

A facility review of this directive shall be conducted at least annually.

D. Responsibilities

The following list is provided as a recommended guideline for facilities to use in clarifying the separation of duties for staff responsible for processing cash receipts and refunds.

Accountant – performs reconciliations.

Business Administrator – ensures the appropriate staff members are aware of and perform their duties in compliance with these procedures; and exercises control over the handling of cash through the proper separation of duties for staff.

Cashier – prepares receipts, reports any discrepancies to the Mail Clerk or designated Business Office employee, prepares appropriate transmittals, and forwards transmittals and checks to the Division of Finance and Administration, Accounts Receivable Unit.

Journal Clerk – enters cash receipts and refunds into the State Accounting System.

Mail Clerk – receives and verifies cash and places the “for deposit only” stamp on each check.

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E. Definitions

Cash – checks, postal and express money orders, and bank drafts to be deposited into the State Treasury.

Fiscal Year – the twelve month period beginning July 1 of one year and ending June 30 of the following calendar year.

Receipts – cash other than refunds received by a facility for, or on behalf of, the State to be deposited into the State Treasury.

Refunds – repayments to the State from a vendor or employee for erroneous disbursements by a State agency.

State Treasurer's Clearing Account – a bank account where State receipts and refunds shall be deposited so that a Treasurer's Draft may be issued and submitted to the Comptroller.

Transmittal Number – a document number assigned by the State Accounting System to each transmittal submitted to the Comptroller with the receipts or refunds.

F. General Provisions

1. Refunds shall be handled as reversals of expenditures if the fiscal year is still open, otherwise the fund that the original warrant was drawn on shall be credited.
 2. There are three types of refunds:
 - a. Cash Refund – an erroneous payment or overpayment that has been returned to the State via an instrument other than the State warrant that the original expenditure payment was issued on.
 - b. Salary Refund – an erroneous payment or overpayment of wages to a State employee.
 - c. Canceled Warrant – a written warrant that is found to be either incorrect or an overpayment and has been canceled for redeposit.
 3. The following types of receipts and refunds shall not be deposited into the State Treasurer's Clearing Account:
 - a. Treasurer's drafts, both negotiable and non negotiable, issued by the Treasurer of Illinois.
 - b. State warrants issued by the Comptroller of Illinois and countersigned by the State Treasurer.
 - c. Federal checks issued by the U.S. Government.
 - d. University checks issued by one of the tax supported Illinois Universities.

NOTE: Receipts and refunds not deposited into the State Treasurer's Clearing Account in accordance with Paragraph II.F.3. shall be deposited directly to the Comptroller.
 4. Transmittal numbers affixed to each transmittal shall be assigned by the State Accounting System.
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